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 IDAHO PUBLIC
 UTILITIES COMMISSION

Sup E-07-01

Attorneys for Avimor, LLC

IN THE SUPREME COURT OF THE STATE OF IDAHO

IN THE MATTER OF THE APPLICATION OF
 IDAHO POWER COMPANY FOR APPROVAL
 OF AN AGREEMENT BETWEEN AVIMOR,
 LLC AND IDAHO POWER TO PROVIDE
 ELECTRIC TRANSMISSION AND
 SUBSTATION FACILITIES TO THE AVIMOR
 MULTI-USE DEVELOPMENT

) Sup. Court Docket No. 34573
)
) IPUC Docket No. IPC-E-06-23
)
) **SECOND STATUS REPORT**
) **ON APPEAL**

 AVIMOR, LLC,
 Appellant,

vs.

IDAHO POWER COMPANY,
 Respondent,

and

IDAHO PUBLIC UTILITIES COMMISSION
 Respondent on Appeal.

COMES NOW the above-entitled Appellant, Avimor, LLC, ("Avimor"), by and through its attorneys of record, Fisher Pusch & Alderman LLP, and files this Second Status Report. The other parties to the appeal, as stated above in the caption, are the Idaho Public Utilities Commission, (the "Commission"), and Idaho Power Company, ("Idaho Power" or the "Company").

In its October 4, 2007 Order, the Idaho Supreme Court, (the "Court"), granted Avimor's request for a stay of this appeal for sixty (60) days so that the parties could attempt to negotiate a settlement of all issues. The Court also required the parties to advise it, in writing, no later than fourteen (14) days before the sixty (60) days stay had run, as to whether this appeal would proceed. Avimor timely submitted a previous Status Report to the Court advising it of the current status of the appeal and settlement negotiations. Since that time the sixty (60) day stay granted by the Court has expired. However, the parties have made significant progress towards settling all issues in this appeal. Accordingly, Avimor submits this Second Status Report to advise the Court of this progress and the likelihood that this matter will be resolved.

BACKGROUND

The following facts are provided for the Court's benefit to give context for the contents of a proposed stipulation which, if approved by the Commission, will negate the need for this appeal.

Avimor is building a planned community in north Ada County, state of Idaho, (the "Project"). In order to obtain electrical service for the Project, Avimor entered into a Special Facilities Agreement, (the "SFA"), with Idaho Power to build transmission and substation facilities, (the "Facilities"). Avimor advanced the estimated cost to build the

Facilities to Idaho Power with the opportunity to obtain refunds of the amount it advanced, without interest, over a ten (10) year period. Under the terms of the SFA, Avimor was eligible to receive periodic refunds of the advance based upon the number of residential connections and amount of non-residential load which connected to the Facilities. The SFA was subject to the Commission's review and approval.

The Idaho Public Utilities Commission Staff, (the "Staff"), objected to the amount of the refund for each residential customer or load that would be made to Avimor under the terms of the SFA. Staff alternatively asserted that, although Avimor should still be eligible to recoup its entire advance, the amount of each refund Avimor could receive per customer or load should be reduced so that it is equivalent to the average per residential customer cost for Idaho Power to build new transmission and distribution facilities. This average cost Staff was pointing to had been established by previous proceedings before the Commission. In Final Orders in this case, the Commission adopted the Staff's proposal. *See* Order Nos. 30322 & 30396. Avimor disagreed with this decision.

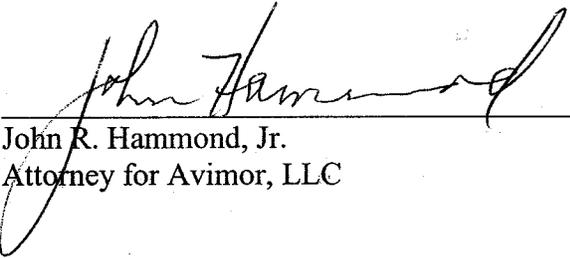
Currently, Idaho Power has a general rate case pending before the Commission. In that case, data from 2005-2007 demonstrates that the average per residential customer cost for the Company to build new transmission and distribution facilities has risen from that which Staff was pointing to as mentioned in the preceding paragraph.¹ Avimor, Idaho Power and Staff have agreed, subject to the drafting of an acceptable written stipulation between them, to calculate any periodic refund amounts that Avimor may receive using this new cost information and any modifications to it that may be made by the Commission in Idaho Power's general rate case. Avimor anticipates this stipulation

¹ The dollar amount of this average cost Idaho Power incurs is still subject to review, rejection, modification and/or approval by the Commission in its general rate case.

will be finalized in the next two weeks and submitted to the Commission for its review and approval. At the time of the filing of the stipulation with the Commission, Avimor will also file a Request for Stay with the Court, respectfully asking that it grant an additional ninety (90) day stay of the appeal to allow the Commission time to consider the merits of the stipulation and to decide whether to approve it. In the event the Commission approves the stipulation, Avimor will submit a motion to the Court requesting that the appeal be dismissed.

DATED This 19th day of December, 2007.

FISHER PUSCH & ALDERMAN, LLP



John R. Hammond, Jr.
Attorney for Avimor, LLC

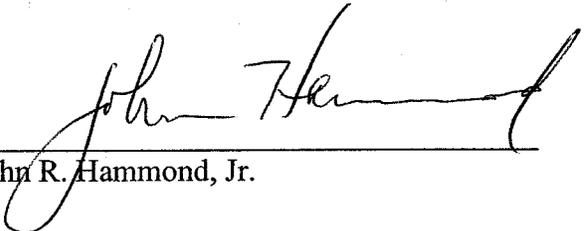
CERTIFICATE OF SERVICE

I HEREBY CERTIFY That on this 19th day of December, 2007, I caused to be served the foregoing upon all parties of record in this proceeding as indicated below:

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IDAHO PUBLIC UTILITIES COMMISSION	[x]	First Class Mail
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